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LABOUR AND THE POPULAR WELFARE



GROWTH OF THE INCOME
OF THE UNITED KINGDOM

W. H. MALLOCK

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LABOUR
AND THE
POPULAR WELFARE

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AND THE
POPULAR WELFARE

BY
W. H. MALLOCK
AUTHOR OF 'IS LIFE WORTH LIVING,' 'SOCIAL PROBLEMS,' ETC.

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PREFACE

NEARLY all the general truths of Economic Science are, directly or indirectly, truths about the character or the actions of human beings. It is, consequently, always well to warn the readers of economic works, that in Political Economy, more than in any other science, every general rule is fringed with exceptions and modifications; and that instances are never far to seek which seem to prove the reverse of what the general rule states, or to make the statement of it appear inaccurate. But such general rules need be none the less true for this; nor for practical purposes any the less safe to reason from. They resemble, in fact, these general truths with regard to

the seasons, which we do and must reason from, even in so uncertain a climate as our own. It is, for instance, a truth from which we all reason, that summer is dryer and warmer than winter; and yet there is a frequent occurrence of individual days, which, taken by themselves, contradict it. So, too, those economic definitions, the subjects of which are human actions or faculties, can be entirely accurate only in the *majority* of cases to which they apply; and these cases will be fringed always by a margin of doubtful ones. But the definitions, for all that, need be none the less practically true. Day and night are fringed with doubtful hours of twilight; but our clear knowledge of how midnight differs from noon is not made less clear by our doubts as to whether a certain hour at sunrise ought to be called an hour of night or morning.

It is especially desirable to prefix this

warning to a work as short as the present. In larger and more elaborate works, the writer can particularise the more important exceptions and modifications to which his rules and definitions are subject. But in a short work this task must be left to the common sense of the reader. For popular purposes, however, brevity of statement has one great advantage, namely, that of clearness ; and, as the significance of the exceptions cannot be understood without the rules, it is almost essential first to state the rules without obscuring them by the exceptions. There are few readers probably who will not see that the general propositions and principles laid down in the following pages, require, in order to fit them to certain cases, various additions and qualifications. It is necessary only for the reader to bear in mind that these propositions need be none the less broadly and vitally true, because any succinct statement of them is unavoidably incomplete.

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BOOK I

**THE DIVISIBLE WEALTH OF THE
UNITED KINGDOM**



CHAPTER I

The Welfare of the Home, as the Logical End of Government.

I WISH this book to be something which, when the subject of it is considered, the reader perhaps will think it cannot possibly be. For its subject—to describe it in the vague language of the day—is the labour question, the social question, the social claims of the masses; and it is these claims and questions as connected with practical politics. Their connection with politics is close at the present moment; in the immediate future it is certain to become much closer; and yet my endeavour will be to treat them in such a way that men of the most opposite parties—the most progressive Radical and the most old-fashioned Tory—may find this book equally in harmony

The subject of this book, but has nothing to do with party politics.

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with their sympathies, and equally useful and acceptable from their respective points of view.

An example
of the order
of facts it
deals with.

But if the reader will consider the matter further, he will see that my endeavour is not necessarily so impracticable as it seems to be. A very little reflection must be enough to show anybody that many of the political problems about which men differ most widely are concerned with an order of truths which, when once they have been examined properly, are the same for all of us; and that a preliminary agreement with regard to them is the only possible basis for any rational disagreement. I will give one example—the land-question. About no political problem is there more disagreement than about this; and yet there are many points in it, about which men may indeed be ignorant, but about which, except for ignorance, there cannot be any controversy. Such for instance is the acreage of the United Kingdom, the number of men by whom the acres are owned, the respective numbers of large and of small properties, together with their respective rentals, and the proportion which the national rent bears to

the national income. The truth about all these points is very easily ascertained ; and yet not one man in a hundred of those by whom the land-question is discussed, appears to possess the smallest accurate knowledge of it. A curious instance of this ignorance is to be found in the popular reception accorded some years ago to the theories of Mr. Henry George. If Mr. George's reasonings were correct as applied to this country, the rental of our titled and untitled aristocracy would be now about *eight hundred millions* : and few of his admirers quarrelled with this inference. But if they had only consulted official records, and made themselves masters of the real facts of the case, they would have seen at once that this false and ludicrous estimate was wrong by no less a sum than *seven hundred and seventy millions* ; that the *eight hundred millions* of Mr. George's fancy were in reality not more than *thirty* ; and that the rent, which according to him was two-thirds of the national income, was not in reality more than two and a quarter per cent of it. Now here is a fact most damaging to the authority of a certain theorist with whom many Radicals

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Such facts as these not generally known ; but when once ascertained, necessarily the same for all parties :

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And it is
equally to
the advan-
tage of all
parties to
understand
such facts.

are no doubt in sympathy; but it none the less is a fact which any honest Radical is as much concerned to know as is any honest Tory, and which may easily supply the one with as many arguments as the other. The Tory may use it against the Radical rhetorician who denounces the landlords as appropriating the whole wealth of the country. The Radical may use it against the Tory who is defending the House of Peers, and may ask why a class whose collective wealth is so small, should be specially privileged to represent the interests of property: whilst those who oppose protection may use it with equal force as showing how the diffusion of property has been affected by free trade.

Here is a fair sample, so far as particular facts are concerned, of the order of truths with which I propose to deal: and if I can deal with them in the way they ought to be dealt with, they will be as interesting—and many will be as amusing—as they are practically useful. It may indeed be said, without the smallest exaggeration, that the salient facts which underlie our social problems of to-day, would, if properly presented, be to the general

WHICH ARE THE SAME FOR EVERYBODY 7

reader as stimulating and fresh as any novel or book of travels, besides being as little open to any mere party criticism.

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But there are other truths, besides particular facts, which I propose to urge on the reader's attention also. There are general truths, general considerations, and principles: and these too, like the facts, will be found to have this same characteristic—that though many of them are not generally realised, though many of them are often forgotten, and though some of them are supposed to be the possession of this or that party only, they do but require to be fairly and clearly stated, to command the assent of every reflecting mind, and to show themselves as common points from which, like diverging lines, all rational politicians, whatever may be their differences, must start.

Besides such facts, this book deals with general truths and principles, equally independent of party.

The very first principle to which I must call attention, and which forms a key to my object throughout this entire book, will at once be recognised by the reader as being of this kind. The Radical perhaps may regard it as a mere truism; but the most bigoted Tory, on reflection, will not deny that it is

The proposition with which the argument starts is an example of a truth of this kind.



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true. The great truth or principle of which I speak is as follows.

The conditions of private happiness are the end of all Government.

The ultimate end of Government is to secure or provide for the greatest possible number, not indeed happiness, as is often inaccurately said, but the external conditions that make happiness possible. As for happiness, that must come from ourselves, or at all events from sources beyond the control of Governments. But though no external conditions are sufficient to make it come, there are many which are sufficient to drive it or to keep it permanently away; and it is the end of all Government to minimise conditions such as these. Now these conditions, though their details vary in various cases, are essentially alike in all. They are a want of the necessities, or a want of the decencies of life, or an excessive difficulty in obtaining them, or a recurring impossibility of doing so. They are conditions in fact which principally, though not entirely, result from an uncertain or an insufficient income. The ultimate duty of a Government is therefore towards the incomes of the governed; and the three chief tests of whether a Government is good or bad, are first the number of families

These conditions are principally a question of private income.

The end of Government is

in receipt of sufficient incomes, secondly the security with which the receipt of such incomes can be counted on, and lastly the quality of the things which such incomes will command.

Some people however—perhaps even some Radicals—may be tempted to say that this is putting the case too strongly, and is caricaturing the truth rather than fairly stating it. They may say that it excludes or degrades to subordinate positions all the loftier ends both of individual and of national life, such as moral and mental culture, and the power and greatness of the country : but in reality it does nothing of the kind.

In the first place, with regard to moral and mental culture, if these are really desired by the individual citizen, they will be included amongst the things which his income will help him to obtain : and an insufficient income certainly tends to deprive him of them. If he wishes to have books, he must have money to buy books : and if he wishes his children to be educated, there must be money to pay for teaching them. In the second place, with regard to the power and greatness of the

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therefore to secure adequate incomes for the greatest possible number.

This view not necessarily materialistic, nor unpatriotic :

For income is necessary for mental as well as physical welfare,

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And the
complete
welfare of
the citizens
is what
gives mean-
ing to
patriotism.

country, though for many reasons we are apt to forget the fact, it is the material welfare of the home, or the maintenance of the domestic income, that really gives to them the whole of their fundamental meaning. Our Empire and our power of defending it have a positive money value, which affects the prosperity of every class in the country: and though this may not be the only ground on which our Empire can be justified, it is the only ground on which, considering what it costs, its maintenance can be justified in the eyes of a critical democracy. Supposing it could be shown to demonstration that the loss of our Empire and our influence would do no injury to our trade, or make one British household poorer, it is impossible to suppose that the democracy of Great Britain would continue for long, from mere motives of sentiment, to sanction the expense, or submit to the anxiety and the danger, which the maintenance of an Empire like our own constantly and necessarily involves.

Further,
patriotism
will only
flourish in
a country
which

But let us waive this argument, and admit that a sense of our country's greatness, quite apart from any thought of our own material advantage, enlarges and elevates the mind as



nothing else can—that to be proud of our country and proud of ourselves as belonging to it, to feel ourselves partners in the majesty of the great battle-ship, in the menace of Gibraltar stored with its sleeping thunders, or the boastful challenge of the flag that floats in a thousand climates, is a privilege which it is easier to underrate than exaggerate. Let us admit all this. But these large and ennobling sentiments are all of them dependent on the welfare of the home in this way:—they are hardly possible for those whose home conditions are miserable. Give a man comfort in even the humblest cottage, and the glow of patriotism may, and probably will, give an added warmth to that which shines on him from his fireside. But if his children are crying for food, and he is shivering by a cold chimney, he will not find much to excite him in the knowledge that we govern India. Thus, from whatever point of view we regard the matter, the welfare of the home as secured by a sufficient income is seen to be at once the test and the end of Government; and it ceases to be the end of patriotism only when it becomes the foundation of it.

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secures for
its citizens
the condi-
tions of a
happy life.